

Message Text

SECRET

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ACTION TRSE-00

INFO OCT-01 NEA-10 ISO-00 EB-08 SS-15 L-03 AGRE-00 COME-00

AID-05 NSC-05 OPIC-03 CIAE-00 INR-07 NSAE-00 SSO-00

INRE-00 NSCE-00 LAB-04 /061 W

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FM AMEMBASSY JIDDA

TO SECSTATE WASHDC IMMEDIATE 6947

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DEPARTMENT PASS TREASURY

E.O. 11652: GDS

TAGS: USSAEC

SUBJECT: VIEWS OF MINISTER AND DEPUTY MINISTER OF FINANCE ON
JOINT ECONOMIC COMMISSION (JECOR)

1. MINISTER OF FINANCE ABA AL-KHAYL WAS HIS USUAL GENTLE SELF,
BUT DEPUTY MINISTER AL-TURKI SEEMED SOMEWHAT TENSE AS
MR. HUMMON AND I ENTERED FOR OUR APPOINTMENT JANUARY 19.
MY REQUEST FOR MEETING HAD BEEN PROMPTLY ACKNOWLEDGED, THEIR
REPLY AFFIRMATIVE. I HAD SENT WORD THROUGH A MUTUAL SAUDI
FRIEND THAT I HOPED THEY WOULD BE COMPLETELY FRANK WITH US.

2. IT WAS NOT A DETAILED DISCUSSION OF THE WORK OF JECOR, SUCH
AS PROJECTS, THAT WE WERE SEEKING, I SAID. RATHER, WE HOPED FOR
A FRANK EXCHANGE OF VIEWS ON THEIR AND OUR REACTION TO JECOR
AS IT FUNCTIONS TODAY, WHETHER IT HAD MET THEIR EXPECTATIONS,
AND WHAT IF ANYTHING THEY DESIRED OF THE AMERICANS IN THE LIGHT
OF OUR MUTUAL EXPERIENCE. WE BELIEVE OUR NEW ADMINISTRATION
WOULD FIND THE SAUDI AND AMERICAN VIEWS OF THE COMMISSION
VERY USEFUL AT THIS TIME.

3. THE MINISTER EXPRESSED HIS THANKS FOR OUR INTEREST. HE
SAID ALMOST IMMEDIATELY THAT HE HAD LOOKED AGAIN AT THE ORIGINAL
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CONCEPT OF JECOR, WHICH HE FOUND SOUND AND SATISFACTORY. HE
NOTED THAT THE PROGRAM IS A VERY EFFECTIVE TECHNICAL ASSISTANCE
EFFORT DEALING IN SEVERAL BASIC AREAS OF DEVELOPMENT OF IMPOR-
TANCE TO SAUDI ARABIA, CITING AGRICULTURE AND WATER, CENSUS DATA,
VOCATIONAL TRAINING, AND ELECTRIFICATION. HE WONDERED WHETHER
THE NEW ADMINISTRATION WOULD WISH TO CHANGE THE JECOR LINK
WITH THE TREASURY TO SOMETHING ELSE. HE HOPED

THAT WOULD NOT HAPPEN. HE FOUND THE TREASURY/JECOR EFFORT IMPORTANT, PRACTICAL, AND EFFECTIVE. HE WOULD LIKE IT LEFT THAT WAY. HE HAD HEARD RUMORS THAT THERE MIGHT BE AN EFFORT TO TRANSFER THE AMERICAN PART OF IT TO THE STATE DEPARTMENT.

4. I SAID I HAD NO INDICATION THAT ANY CHANGE OF THE NATURE HE MENTIONED WOULD BE ADVOCATED BY THE NEW ADMINISTRATION. IF HE, SPEAKING AS THE MINISTER CONCERNED, FELT THAT IT SHOULD NOT HAPPEN, THEN I FELT SURE IT WOULD NOT. WE ARE IN SAUDI ARABIA TO COOPERATE WITH THE SAG, NOT TO OPPOSE THEIR IDEAS. I PERSONALLY AGREE WITH HIM, I SAID, THAT THE CONCEPT OF JECOR IS SOUND AND THAT IT HAS BECOME AN EFFECTIVE INSTRUMENT FOR PROGRESS.

5. I WOULD ANSWER HIS MENTION OF THE STATE DEPARTMENT BY SAYING THAT IN OUR GOVERNMENT THAT DEPARTMENT HAS A LEADING INTEREST IN EVERY USGOVT ACTIVITY ABROAD, BUT THAT IS QUITE DIFFERENT FROM OPERATING RESPONSIBILITY. THERE ARE MANY US GOVT DEPARTMENTS AND AGENCIES COOPERATING WITH OUR SAUDI FRIENDS, FOR EXAMPLE. I TAKE A DIRECT INTEREST IN THEM BECAUSE OUR LAW REQUIRES IT, BUT I RARELY BECOME INVOLVED UNLESS THE SAUDIS FEEL I CAN HELP THEM OR THE AMERICANS CONCERNED INDICATE THEY HAVE PROBLEMS. IN THE CASE OF JECOR, I WAS PLEASED TO HEAR HIM SAY THAT HE WANTS NO CHANGE AND I WOULD PASS HIS VIEWS TO THE NEW TEAM IN TREASURY, AND I WOULD SUPPORT THEM.

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ACTION NEA-10

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6. I ASKED IF THERE IS ANYTHING WE ARE DOING WHICH HE WOULD LIKE US TO CHANGE. HE THOUGHT THERE WAS NOTHING OF IMPORTANCE, BUT HE THEN WENT ON TO MENTION A FEW THINGS THAT WERE OF INTEREST TO HIM. HE HOPED WE WOULD AVOID SENDING HIM PEOPLE WHO HAD "AN A.I.D. MENTALITY." HE KNEW MR. HUMMON HAD COME FROM A.I.D., BUT HE HAD MADE THE TRANSITION WELL. HE DIDN'T WANT

OTHERS. I SAID THAT TREASURY OBTAINED THE SERVICES OF THE BEST PEOPLE THEY COULD FIND IN OR OUTSIDE OF THE USGOVT AND THEY WOULD NOT ATTEMPT TO FORCE HIM TO ACCEPT PEOPLE AGAINST HIS WILL. IN ANY CASE, THERE ARE FEW IF ANY AID OFFICERS INVOLVED IN THE COMMISSION OPERATIONS TODAY.

7. DR. AL-TURKI THEN BROUGHT THE DISCUSSION AROUND TO THE VOCATIONAL TRAINING PROGRAM HE WANTS TO SET UP. HE WOULD FIRST PUT SIXTY SAUDI BOYS THROUGH INTENSIVE ENGLISH COURSE AND THEN SEND THEM TO MINNESOTA TO BE TRAINED. HE STRESSED PROBLEM OF SAUDI ARABIA: THERE ARE PRACTICALLY NO SKILLED SAUDI WORKMEN. HOW CAN SAUDI ARABIA BEGIN TO COPE WITH ITS NEEDS? THE COMING PROBLEMS OF MAINTENACE OF THE INFRASTRUCTURE NOW BEING DEVELOPED WILL BE IMMENSE. AL-TURKI AND HIS MINISTER SEEMED SUDDENLY OVERWHELMED BY THE INADEQUACY OF THEIR MEANS, AND THE ENORMITY OF THEIR NEEDS. WE LEFT UNSPOKEN OUR COMMENT TO EACH OTHER LATER THAT THE SAUDIS INDEED HAVE AN EXTREMELY DIFFICULT PROBLEM TO DEVELOP A VOCATIONAL TRAINING PROGRAM THAT WOULD BE MEANINGFUL.

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8. THE MINISTER ALSO SPOKE OF US GOVT DEPARTMENT NEGOTIATING CONTRACTS WITH OTHER SAUDI GOVT ELEMENTS, WITHOUT REFERENCE TO JECOR, ON MATTERS THAT FELL WITHIN THE PURVIEW OF JECOR. I SAID THAT IF HE WOULD TELL US ABOUT SUCH MATTERS WHEN THEY COME TO HIS ATTENTION HE WOULD FIND THE EMBASSY ENTIRELY READY TO BE OF ASSISTANCE. OTHER MINISTRIES FREQUENTLY MAKE USE OF OUR DESIRE TO HELP, AND I HOPE HE WILL DO LIKEWISE. THAT DOES NOT MEAN THAT THE EMBASSY WISHES TO GET INVOLVED IN JECOR OPERATIONS--MR. HUMMON IS IN RIYADH FOR THAT PURPOSE--IT MEANT ONLY THAT USUALLY WE COULD HELP.

9. SUMMARY: IN ESSENCE THE MINISTERS' VIEWS OF JECOR AS IT STANDS, AND THEIR FEARS, SEEM TO BE AS FOLLOWS: THE MINISTER OF FINANCE AND HIS DEPUTY ARE PLEASED WITH JECOR AS IS. THEY PLACE GREAT VALUE ON THE ASSOCIATION WITH THE US TREASURY. HE FEARS STATE MIGHT WANT TO TAKE OVER US FUNCTIONS IN JECOR, AND HE WANTS NO CHANGE OF THAT NATURE. HE WOULD LIKE ALL US CIVILIAN DEPARTMENTS TO REFRAIN FROM ARRANGING CIVILIAN DEVELOPMENT PROGRAMS WITH SAUDI GOVT ELEMENTS EXCEPT THROUGH JECOR. HE IS APPARENTLY UNABLE TO INDUCE OTHER SAUDI GOVT ENTITIES TO RESPECT WHAT HE CONSIDERS TO BE JECOR'S DOMAIN. HE IS VERY ALERGIC TO ANYTHING THAT MIGHT LEAD THE PUBLIC TO BELIEVE THAT JECOR RESEMBLES AN A.I.D. PROGRAM. HE IS SOMEWHAT CONCERNED ABOUT THE FACT THAT U.S. JECOR DIRECTOR IS MEMBER OF U.S. COUNTRY TEAM, BUT I DID NOT, AND WOULD NOT, YIELD ON THAT. HE IS NOW, PERHAPS, MORE FAMILIAR WITH THE RESPONSIBILITY OF THE U.S. AMBASSADOR TO TAKE AN INTEREST IN PROGRAMS IN WHICH U.S. NATIONALS ARE INVOLVED, WITHOUT GETTING INTO DAY-TO-DAY

OPERATIONS.

10. BOTH MINISTER ABA AL-KAYL AND HIS DEPUTY DR. AL-TURKI
SEEMED PLEASED BY THIS EXCHANGE. AS IT CONTINUED, THEY BECAME
MORE RELAXED. THEY AGREED IT WOULD BE A GOOD THING TO MEET
NOW AND THEN FOR DISCUSSIONS OF MUTUAL INTEREST, AND WE EXPECT
TO MAINTAIN CONTACT WITH THEM. YOU SHOULD UNDERSTAND THAT THEY

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ARE ORGANIZED ALONG AMERICAN LINES WITHOUT MUCH KNOWLEDGE OF
WHAT OTHER MINISTRIES OR THE U.S. EMBASSY ARE ALL ABOUT. WITH
FEWER EGOTISTS IN STATE AND TREASURY, I BELIEVE PATIENCE WILL
BRING BETTER COOPERATION AND UNDERSTANDING. WE ARE WELL EQUIPPED
HERE NOW TO BRING THAT ABOUT AND WE ARE PLEASED BY THE PROSPECT.
I RECOMMEND THAT RESPONSIBLE TREASURY OFFICIAL COME HERE SOON
UNOSTENTATIOUSLY TO MEET THESE SAUDI OFFICIALS AND SUPPLEMENT
ASSURANCES WE GAVE THEM.

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Message Attributes

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